

STATE OF WISCONSIN  
DEPARTMENT OF HEALTH AND SOCIAL SERVICES  
DIVISION OF MANAGEMENT SERVICES  
BUREAU OF FISCAL SERVICES

ACCOUNTING PROCEDURE

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| TOPIC: Payroll 5.0  | EFFECTIVE DATE: 5/21/83 |
| TITLE: Re-Establishing Retirement Rights and Creditable Service | REVISION DATE: 10/31/92 |
| AUTHORIZED BY: Donald N. Warnke, Director                       | PAGE 1 OF 2             |

**BACKGROUND**

Chapter 96, Laws of 1981, revised ss. 40.25 (5)(a) and (b), Statutes, for re-establishing rights and creditable service for employees who closed their retirement account upon discharge, and are subsequently reinstated to a position with the participating employer by court order, arbitration award or compromise settlement. The Department is required to restore to the retirement fund, in a lump sum, the amount the employee had originally withdrawn and will be reimbursed by the employee through deductions from back pay awards or subsequent payroll deductions.

**PROCEDURES**

1. Employing units are to inform the Bureau of Personnel and Employment Relations (BPER) of all situations in which the repayment of a separation benefit is necessary.
2. The BPER will monitor all appeal actions that may result in the reinstatement of a discharged employee and arrange payroll deductions for reinstated employees as necessary.
3. BPER will notify the Director, Bureau of Fiscal Services (BFS), when any employee is reinstated so that BFS can make the necessary financial arrangements with the employing unit.
4. Appropriation 992 - Retirement Reinstatement and account class 2010 are to be used to record the payments to the retirement fund and subsequent collections from the employee. Payroll deduction activity will create a reduction of expenses in account class 2010 on Department of Administration (DOA) records. BFS staff will adjust DHSS records quarterly in the same manner through preparation of a journal voucher.

**REFERENCES**

ss. 40.25 (5)(a) and (b), Wisconsin Statutes

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